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*Monahan Collection
Apr. 1914*

THE DOMINION LAND POLICY

Speculators and Land Grabbers taken under the Protection of the Government.

The Rights of the Settler Disregarded.

The Speculator can have Land at Half Price—The hardy Son of Toil to be handed over to his Tender Mercies.

The Heritage of the People to be bartered away for Political Influence; or bestowed as a Reward for Political Service.

When Canada became the owner of the North-West a most important step towards securing the material resources from which a popular and powerful state might be evolved was taken, for in that region we have a vast expanse of fertile soil fitted by nature to become the home of many millions of intelligent and prosperous people. The area of land in the North-West fit for settlement, including Manitoba, is roughly estimated at from 150,000,000 to 250,000,000 acres. The latter figure gives ten times the amount of land now under cultivation in the entire Dominion. The soil of the greater portion of this region is admirably adapted to the growth of wheat of excellent quality. The supply of coal is abundant, and the entire country from the boundary line to the Peace River Valley and from Red River to the base of the Rocky Mountains, offers no serious engineering obstacles to the construction of the railway lines necessary for bringing its productions to market. It is estimated that this region will easily afford the means of subsistence for 25,000,000 people. That the utmost care should be taken to devise and carry into effect

A WISE AND LIBERAL POLICY in the regulation, sale, and management of this great public domain requires no argument to prove. The bearing of its rapid settlement by an energetic and intelligent population upon the question of our national development is a most important one, and should command the best efforts and the most careful consideration of the Government. In fact no other question at the present time, demanding the attention of the Government, is of as great moment. The first and great requisite of the North-West is population. The mere possession of a vast wilderness adds nothing to the greatness of Canada. The millions of fertile acres are worthless till they are tilled. It is the actual settler alone who can produce the necessary change. When he goes in, the varied industries of prosperous communities will follow and towns will speedily grow up. Towards the actual development of the country the mere speculator will contribute very little, and the gains he may make in land speculations will merely represent the loss sustained by the farmers who are compelled to purchase his lands at a great advance upon Government price.

THE RAPID SETTLEMENT OF THE COUNTRY

can best be secured by a liberal homestead law, and by offering such lands as are not set apart for homesteads at reasonable prices to actual settlers. To sell such lands in unlimited quantities to speculators whose purpose is to make the settlers pay a heavy advance upon the Government price is most unwise and unjust, and must seriously retard settlement. To offer special inducements to speculators by selling public lands to them at a lower price than is required of the settler is worse than unjust, and should be condemned by every Canadian who desires the welfare and prosperity of his country. In fact the Government should allow no middleman to come between itself and the actual occupant of the soil. The public lands should be deemed the heritage of the people, to be managed by the Government in their interest. The price received by the Government should be in every case the price paid by the settler, and no more.

THE WILD SPECULATION

that is now rampant in the North West bodes no good to the country. It has already reached the proportions of a mania, and must inevitably end in a collapse more or less severe. A similar land speculation fever in the United States in 1835 and 1836 was largely instrumental in bringing about the crisis of 1837, and the complete prostration of public and private credit. The course of the present Administration in adding fuel to the flame of this furious land craze, by affording unprecedented facilities for the wildest land speculations, is one of its greatest sins. Already millions of acres which should have been carefully reserved for the actual settler have been placed in the hands of speculative companies on terms practically amounting to sales at half price, as will be more fully explained below, and these companies will inevitably exact from the actual settler the utmost farthing that it is possible to obtain.

THE ACTUAL SETTLER ONLY CAN DEVELOP THE COUNTRY

As actual settlement alone can develop the country it is clear that the Govern-

ment should make great efforts to secure a large immigration of *bona fide* settlers, and it can well afford to make its policy a liberal one. The more question of the amount of revenue to be derived from the sale of lands is of much less importance than is the getting of the country settled by a population whose labors will add to the wealth and greatness of the state, and whose contributions to the revenues of the country will be large and constantly increasing. Not only does the very nature of the case call for a liberal policy towards settlers, but such a policy becomes doubly necessary from the course pursued by the Government of the United States. That country has vast tracts of wild land open for settlement. It fully realizes the importance of inducing settlement, and its policy towards actual settlers is a most liberal and enlightened one. If we are to compete with that country in securing the rapid settlement of our public lands we must make our policy at least as liberal as theirs is, or we shall fail to secure our fair proportion of immigration. A comparison of the character of the policy under the two Governments, and also of the results secured by each, will show conclusively that our own policy as compared with theirs is not sufficiently liberal.

THE TWO POLICIES CONTRASTED.

In the United States all unappropriated public land is open for homestead; in the North-West four sections in each Township are reserved for the Hudson's Bay Company and for school purposes, and sixteen sections for railway grants, or for sale. Only eight sections in each Township of thirty-six sections are available for homesteads, or less than one-fourth of the whole. In the United States all unappropriated lands are open for pre-emption; in the North-West only eight sections in each Township of thirty-six sections are available for that purpose and the entire homestead and preemption reserve can at the pleasure of the Government be sold at auction, or can, as will be more fully explained below, be granted to speculative companies in all that region north of the Canada Pacific road and outside

of the twenty-four-mile railway belt. We have only to look at the results to become convinced that our own policy is not sufficiently liberal to enable us compete with the United States in securing the desired class of population. In fact we get nearly all the speculators and land grabbers, while that country gets the great mass of the settler class as the homestead entries in each country for the last two years will clearly indicate.

ACRES ENTERED AS HOMESTEADS IN CANADA.

1878.....	308,640
1879.....	555,296
1880.....	280,640
1881.....	438,707

Total acres 1,583,283

ACRES ENTERED AS TIMBER CULTURE HOMESTEADS AND ORDINARY HOMESTEADS IN THE UNITED STATES.

1878.....	6,288,779
1879.....	8,026,785
1880.....	8,238,735
1881.....	6,791,900

Total acres 29,346,119

From this table it will be seen that in the United States for the last four years the rate of homestead settlement has been a fraction over eighteen times greater than in Canada, while in the last two years the rate has been a small fraction less than twenty-one times greater. Had it been in proportion to the population of the two countries it would have been only twelve times greater in the United States than in Canada.

CANADIANS IN THE UNITED STATES.

In 1870 over 490,000 natives of British America were living in the United States. It is not yet known to how great an extent that number has been increased, as the full census returns of 1880 are not yet published, but we know that Canadian emigration to the United States for several years past has been very large. In 1880 there were

29,631 Canadians in the new State of Minnesota, and 10,678 in the territory of Dakota, and if we take into account the number of English, Scotch, and Irish nativity who had emigrated from Canada to the same region we will be safe in assuming that in 1880 the Canadian population of Minnesota and Dakota was greater than the entire population of Manitoba. The Canadian emigration to Michigan, Wisconsin, Kansas, and Nebraska, was probably still greater. These facts show that hitherto our land policy has not been sufficiently liberal to secure more than one-third of the Canadian emigration to the West, and that it has secured a very small portion of the foreign emigration. It is quite evident that, so long as the American land policy continues to be more liberal to actual settlers than our own, their public lands will be settled with a relative rapidity entirely out of proportion to the relative population of the two countries.

VACILLATING POLICY OF THE GOVERNMENT.

The land policy of the Canadian Government has not only been deficient in liberal provisions for the settler and too liberal to the speculator, but it has been fitful and vacillating. Since July 1st, 1879, four separate and distinct series of regulations have been in force. The first were issued July 9th, 1879, and came into operation on the first of the following month. Under these regulations five belts were established on each side of the assumed line of the Canada Pacific Railway, designated as belts A, B, C, D and E;—the first 5 miles wide, the second 15 miles, the third 20 miles, the fourth 20 miles, and the fifth 50 miles.

INDUCEMENTS TO SETTLERS AS COMPARED WITH THE UNITED STATES.

In belt A homesteads were not permitted, while in the United States no Government lands were withdrawn from homestead. Outside of belt A the size of homesteads and of pre-emption entries was restricted to 80 acres each, while in the United States 160 acres were allowed. Outside of belt A only 8

sections in a township were open for homestead entry, while in the United States all public lands were open. In belt C settlers were to pay \$2.50 per acre for pre-emptions and \$3.50 per acre for all public lands not reserved for homestead and preemption. In the United States public lands situated the same distance from railway lines were sold to the actual settler at \$1.25 per acre. In belt D settlers were to pay \$2 per acre for pre-emptions and other public lands, or 75 cents per acre more than was charged for lands of similar situation in the United States. In belt E lands were sold at \$1 per acre, and in this belt only—situated 60 miles from a railway line—could settlers procure land as cheaply as in the United States. Under these regulations speculation was encouraged by offering lands for sale upon a payment of one tenth down and the balance in nine annual instalments, and the law was violated by permitting sales of more than 640 acres to one person.

A POLICY THAT LASTED SEVENTY-FIVE DAYS.

The regulations of July 9th were permitted to remain in force from August 1st, 1879, to October 14th, 1879, and were then replaced by new regulations which made a change in the conditions of homestead grants and pre-emption entries by permitting grants and entries of 160 acres. In this respect alone were our regulations made as liberal as those of the United States. Restrictions as to lands the settler could enter and the evils of credit sales were continued, and in belts B, C, and D the prices charged the actual settler continued to be from 75 cents to \$2.25 per acre higher than prices charged to actual settlers in the United States for lands similarly situated. Under these regulations speculators, with their command of capital and superior means of information, were enabled to forestall the settler, and vast tracts of land were bought at \$1 and \$2 per acre, much of which has since been sold to the actual settler at from \$5 to \$10 per acre. These regulations remained in force something over a year and a half, and it was natural that the illiberal terms to settlers as compared with those of the

United States, and the discrimination in favor of the speculators, should have sent almost if not quite two-thirds of the Canadians who were seeking homes west of Ontario to Michigan, Wisconsin, Minnesota, and other American States.

THE THIRD SERIES OF REGULATIONS.

On May 25th the third series of regulations were issued by the Department of the Interior. Under these regulations credit sales ceased, but the same conditions were continued as to lands open to homestead and pre-emption entry. The price of pre-emption claims and public lands within railway belts 24 miles in width on each side of projected railway lines was fixed at \$2.50 per acre. The price of pre-emption claims and public lands outside of railway belts was fixed at \$2 per acre, or 75 cents per acre higher than lands of similar situation in the United States. As under the previous regulations, 8 sections were reserved for homesteads and 8 sections for pre-emption claims in each township, which took all the lands within the railway belts except the railway grant, the school lands, and the Hudson's Bay reserves. The right of the settler to the homestead and pre-emption reserves rested, however, upon the insecure tenure of the Government's pleasure, and these lands by Order-in-Council could at any time be withdrawn and the land sold at auction. These regulations, however, will be chiefly remembered in consequence of the invention of a new and more perfect plan to

DEFRAUD THE POOR AND FAVOR THE RICH.

Under the provisions of this plan it was provided that individuals or corporations might obtain the consent of the Government to the purchase in blocks of townships all the Government odd-numbered sections outside of the railway belts amounting to 10,240 acres in each township, at half price, or \$1 per acre, upon the condition of placing two settlers on each odd numbered section, and a settler upon each homestead within three years, with the right to take a mortgage upon each homestead

to the amount of \$500 for advances to the homestead settler. If at the expiration of three years the individual or company had failed to place the requisite number of settlers upon its lands the Government could either resume possession of the same, or exact the remaining \$1 per acre, in which case the individual or company would have the advantage of three years' credit upon one-half of the purchase money without interest. Under this plan it was also provided that an individual or a company might, with the consent of the Government, purchase in the townships within the railway belts the lands reserved for pre-emption claims, amounting to 5,120 acres in each township, at \$1.25 cents per acre, being one-half the price charged the actual settler; and the condition that 32 settlers should be placed upon homesteads and 32 settlers upon the lands of the individual or company within three years of the date of agreement, the individual or company making the purchase being allowed to take a \$500 mortgage upon each homestead for advances or loans. There was no condition as to the amount of land that should be sold by the company to each of the settlers; and if 32 tenants were placed upon their lands, the conditions of settlement would be fulfilled. Under this plan all the land in townships within the railway belts devoted to pre-emption could be sold to speculators at half price, and if at the expiration of three years the settlement conditions had not been complied with the purchaser, upon obtaining the consent of the Government, could pay \$1.25 per acre more, without interest, and take out the deed. Under this so-called colonization scheme corrupt influences might easily be brought into play in securing allotments, and in getting the permission of the Government to waive the forfeiture clause at the end of three years and accept payment of the regular price if conditions of settlement had not been complied with, as both matters were determined by the Minister of the Interior.

THE FOURTH SERIES OF REGULATIONS.

On the 23rd December, 1881, the fourth series of Land Regulations were

issued, to come into effect on January 1st, 1882. These provide that the public lands of the North West shall be classified and designated as follows:

Class A—Embracing all lands within 24 miles on either side of the Canada Pacific Railway or its branches.

Class B—Embracing all lands within 12 miles on either side of any projected line of railway, other than the Canada Pacific Railway, approved by Order-in-Council published in the Canada Gazette.

Class C—Embracing all lands south of the main line of the Canadian Pacific Railway not included in classes A and B.

Class D—All lands other than those in classes A, B and C.

Under these regulations homesteads and pre-emptions are restricted as before to 16 sections in each township; pre-emptions and public lands are held in class C at double the price of public lands in the United States similarly situated outside of railway belts, while pre-emptions and public lands in class D are 75 cents per acre higher.

AT THE MERCY OF THE MINISTER.

Under these regulations homestead and pre-emption settlers have no security that their privileges will be continued or their rights regarded. They are placed at the mercy of any whim or caprice of the Minister of the Interior, who may at his sovereign pleasure make the homestead provisions of the Dominion Land Act a dead letter. Sub-section C of section 2 of the regulations gives him power to withdraw homestead and pre-emption lands from settlement and offer them for sale in such townships as he may choose, at public auction. A part of section 24 of the Dominion Land Act of 1882 contains the following:

"Provided also that, except in special cases, where otherwise ordered by the Governor-in-Council, no sale to one person shall exceed a section, or six hundred and forty acres."

Under this innocent looking paragraph the Government assumes the power to sell at its pleasure, to companies or individuals, unlimited quantities of public lands, including the homestead and pre-emption reserves in class D.

THE SPECULATOR MADE LORD OF THE NORTH WEST.

These regulations are remarkable for having introduced under the names of colonization plans 1 and 2, the most complete and villainous scheme ever devised in America for making the hardy pioneer and settler the prey of that natural enemy of all new communities—the land-grabber. Under plan No. 1 agreements may be made with any company or persons, to be called “the party,” for the sale of the public lands in class D not open to homestead and pre-emption, amounting to 10,240 acres in each township and without restriction as to extent, at \$2 per acre, payable one-fifth down and the balance in four equal annual instalments without interest, except upon past due instalments.

PLAYING INTO THE HANDS OF “THE PARTY.”

If at the expiration of five years “the party” places 32 settlers upon the 32 homesteads in a township, and 32 settlers upon its own lands, it is to be entitled to a rebate of one-half the price of the land and receives its tract at \$1 per acre. It may also advance to each homestead settler \$500 and take a mortgage upon his 160 acres for that amount. In each year a rebate of \$120 is granted for each *bona fide* settler placed on the tract during that year; and at the expiration of the five years, if the whole number of 32 homestead and 32 other settlers have not been placed in a township, “the party” is entitled to receive a rebate of \$160 for each settler so placed. If the homestead settler does not take entry for the pre-emption lot to which he is entitled, “the party” or company may, within three months after the settler’s right has elapsed, purchase the same. The regulations also provide that, if “the party” or company fail to perform the conditions of the agreement, the Governor-in-Council may cancel the sale of the land and deal with “the party” as may seem meet under the circumstances. This so-called plan No. 1 is

CONCEIVED IN THE INTEREST OF SPECULATORS

and is calculated to perpetrate a cruel

wrong upon the actual settler. When put into operation it will be found open to the following objections:

1. It enables the speculator to obtain control of immense tracts of land upon credit purchase by making a cash payment of 40 cents per acre, while the actual settler must pay \$2 per acre for lands of the same character in cash.

2. It allows the speculator to obtain his tract at half price by allowing certain rebates upon the performance of certain easy conditions, while the actual settler can obtain no rebate but must pay in full.

3. It enables the speculator to seize upon the pre-emption claims reserved for the actual settler if the latter allows three months to elapse before availing himself of his right.

4. It not only permits, but invites, corrupt practices in the sale of influence for procuring grants, and in placing power in the hands of the Minister of the Interior of a nature to be likely to subject him to the temptation of having valuable consideration offered for his decision in favor of applicants.

THE PREMIER OUTRAGE.

Although plan No. 1 is sure to work most mischievous and disastrous consequences, plan No. 2 is capable of working a still greater degree of mischief. Under this plan *all* the public lands, *all* the homestead lands, and *all* the pre-emption lands in blocks of township in class D, to be limited only in the discretion of the Government, may be sold to speculators at \$2 per acre, with a provision for the rebate of \$1 per acre at the expiration of five years if 128 settlers have been placed in each township, a portion of which rebate, at the rate of \$120 for each settler placed during the year, is to be paid back annually. Under this plan the homestead and pre-emption reserve in each township is swept away, and the actual settler is left at the mercy of great land holders. The speculator may purchase *all* the land in each township except the two school sections and the Hudson Bay sections, or 20,480 acres in each township out of a total of 23,040 acres. There is no condition as to the amount of land that must be sold to a settler, and the 128 who are to be introduced

into each township may be placed in a group on small holdings in one corner of the township, or they may be tenants subject to eviction at the will of the landlord. Under this plan No. 2 great landed estates can be formed, with the lands in solid bodies of great size, even if the settlement conditions are complied with, and the lands obtained at \$1 per acre; or the purchasers may retain the title to the whole of his land, and by bringing in farm servants and tenants may obtain the rebate of \$1 per acre.

THE PROFITS THAT MAY BE SECURED.

Under plan No. 2, if the speculator complies with the easily performed settlement condition requisite to secure the rebate, the sale of one-quarter of his lands in a township at \$4 per acre leaves him with three-quarters of the land in each township, or 15,360 acres, costing nothing. If the entire tract is sold at \$2 per acre it leaves a profit of 100 per cent; if at \$3 per acre the profit is 200 per cent; if at \$4 per acre the profit is 300 per cent.

THE TWO SCHEMES WORTHY OF FEUDAL DAYS.

Schemes such as the so-called colonization plans No. 1 and No. 2 are worthy of the feudal days, when the tiller of the soil was a vassal. They do not belong to a civilized land or a progressive age. They are framed in the interest of speculation alone. They trample upon and contemptuously spurn the rights of the only class who can found communities and develop the resources of the great heart of Canada's hope for the future. They were conceived in iniquity and shaped in sin, and the Government guilty of such a crime deserves the reprobation of every honest man, and especially of that class who till the soil or earn their bread by the sweat of their brow, for it is their dearest interests that have been sold to political favorites and land gamblers.

WHAT HAS ALREADY BEEN DONE.

Already 7,000,000 acres of land have been granted, and applications for

3,000,000 more have been agreed to. These grants under plan No. 1 would absorb all the public lands not reserved for homestead and pre-emption in 978 townships. Under plan No. 2 it would take all the public lands, the homestead lands and the pre-emption lands in 489 townships. The effect of this course upon immigration into the North-West in the near future will be disastrous. The settlers now flocking into that country will find no available lands for sale. Under plan No. 1 it will be found that landed companies control all the accessible lands except the homestead and pre-emption reserves, and there is no guarantee that the last refuge of the actual settler will not be swept away by selling homestead and pre-emption reserves at auction to the greedy friends of the Government—the grasping speculators. Aside from pre-emption claims the settler will find

SCARCELY AN ACRE OF LAND FOR SALE

at Government prices. The speculator has bought it at half price and will sell to the settler at a hundred per cent. advance, or as much more as he can wring from him. So great an outrage upon those who emigrate to the North West for the purpose of securing land and making themselves homes has fortunately been hitherto unknown in the legislation of Anglo-Saxon states.

TIMBER LEASES AND PASTURE LEASES.

Not alone in its management of the agricultural lands of the North West is the policy of the Government open to grave objections. Valuable timber limits may be let to favorites without competition or public sale, and pasture leases of immense tracts of lands may be disposed of in the same improper manner,

THE TRUE POLICY.

The public lands should be held by the Government as the heritage of the hardy men who reclaim and till them, and who, in doing so, are compelled to brave the dangers and privations of the wilderness. If the lands are sold they should be sold to the actual settler at first cost, and no middleman should be

allowed to come between the Government and him to coin money from his toil, and needlessly increase his hardships and difficulties by selling him land at a heavy advance upon the first cost.

THE POSITION OF THE LIBERAL PARTY.

Upon the question of the settlers' and the laborers' interests in the public lands of the Dominion the Liberal party has taken an unequivocal and an advanced position. It condemns in unmeasured terms the subservient truckling to political expediency, the chicanery and the fraud which would permit the taking away from the people of their sacred heritage in the public domain. It condemns the Government:

1. Because its policy is dictated by speculators and because it has forgotten that Canada is a free and democratic land.
2. Because it gives immense tracts of choice agricultural lands to speculators at half price.
3. Because its policy is calculated to create in Canada great landed estates.
4. Because it seeks to introduce that tenant system which is the curse of the British Islands.
5. Because it would compel the *bona fide* tiller of the soil to pay vastly more for his acres than the Government receives.
6. Because it loses sight of the future and the millions, and barter priceless inheritances and great issues for the benefit of camp-followers and gamblers.

THE LESSONS OF A CENTURY

In its position upon the land question the Liberal party takes the ground that the enlightened and almost the universal sentiment of the United States has taken, after an experience of nearly a century in the management of public lands. Its position is substantially the same as that of both the Republican and the Democratic party of the United States, as well as the Workingmen's Union of that country.

On June 2, 1880, the Republican Convention in session in Chicago, adopted the following as a part of its platform:

"Section 5—No further grant of the public domain should be made to any railway, or other corporation."

On June 22, 1880, the Democratic Convention in session in Cincinnati adopted the following as a part of its platform:

"Section 12—Public money and public credit for public purposes solely, and public land for actual settlers."

The Convention of the Workingmen's Union of the United States has also adopted the following as a part of its policy:

"The reserving of the public lands, the heritage of the people, for actual settlers; not another acre, for railroads or corporations."

THE TRUE POLICY FORMULATED.

The position of the Liberal Party of Canada is set forth in the resolutions moved in the House of Commons April 12th, 1882, by Mr. Charlton, on amendment of the motion of Sir L. Tilley to go into Committee of Supply, which are as follows:

Mr. CHARLTON moved in amendment, that Mr. Speaker do not now leave the chair, but that it be

Resolved, That the present Land Regulations provide that odd numbered sections in the Canadian North West, outside of the Canadian Pacific Railway Belt, shall be open to sale without conditions of settlement.

That the so called Colonization Plan No. 1, provides that parties may purchase large tracts of land on credit at \$2 per acre, with a proviso for the rebate of one-half of the price on certain conditions, thus reducing the cost to \$1 per acre; or one-half the price charged to individual settlers for their pre-emptions, or other purchases in odd sections.

That the so-called Colonization Plan No. 2, provides that parties may purchase large tracts embracing all the Government lands within their area (from which homestead and pre-emption settlers are thus to be excluded), paying \$2 per acre, without any express conditions of forfeiture in case of non-settlement, and with the additional advantages of a large rebate, amounting under

certain conditions to \$1 per acre from the price, in case the purchasers choose to effect a so-called settlement within each Township, but without any provision as to the acreage to be given, or the interest to be secured to each so-called settler.

That these regulations are calculated injuriously to affect the future of the country by facilitating the creation of large landed estates, by placing extended areas of the choicest lands in the hands of speculators, who have favorable opportunities of securing them in anticipation of the settler, and who may hold them for a large advance to be paid by the ultimate settler, whereby the country will gain nothing in price and will lose through the diminished ability of the settler to contribute to the public revenues.

That in the opinion of this House our aim should be to people the agricultural regions of the North West with independent freeholders, each cultivating his own farm, and paying therefor no more than the public treasury receives; and that, save in the case of town plots; or other exceptional cases, the sale of North West agricultural lands should as a rule be made to actual settlers only, on reasonable conditions of settlement, and in quantities limited to the area which can be reasonably occupied by a settler.

The motion was lost on a strict party vote. Yeas, 47; Nays, 112.

THE DUTIES ON COAL.

A tax that has utterly failed of its object—An unjust burden on the few

The duties on coal are a leading feature of the so-called National Policy. They were imposed with the view of giving to Nova Scotia miners the markets of Ontario and Quebec—of keeping American coal out of the Dominion, and securing Canada for the Canadians. At first a uniform duty of fifty cents per ton was placed on hard and soft coal, although none of the former is found in Canada; afterwards

the duty on soft coal was increased to sixty cents per ton. The tax has been paid all right enough; it has gone into the public treasury, and helped to make the boasted four millions of surplus. But has the object of the Government been realized? Has it given to Nova Scotia miners the markets of Ontario and Quebec, or shut American coal out of the Dominion? A short and simple statement of facts will show that it has not.

THE SOLID FACTS.

In 1877-8, the last full year before the tax was imposed, there were imported into Ontario from the United States 588,412 tons of hard and soft coal. In 1880-1, with the tax imposed, there were imported 810,970 tons. Instead, therefore, of American coal being shut out and Nova Scotia coal getting the market, the supply of American coal has been increased by 222,558 tons, and the Ontario consumers are made to pay an extra tax of \$400,000.

Another fact is supplied by a return presented this year to the House of Commons, showing the quantity of coal carried from Nova Scotia ports through the St. Lawrence Canals and St. Ann's Lock on the Ottawa. Through the former in 1877-8 it was 36,626 tons, and in 1880-1 it was 31,402 tons. During the latter in 1877-8 it was 52,644 tons, and in 1880-1 it was 49,057 tons. In 1878 the total was 87,270 tons, and in 1880-1 it was only 80,459 tons.

WHY THE DUTIES HAVE FAILED OF THEIR OBJECT.

These facts show conclusively that the coal duties have failed of their object. The Nova Scotia miners have not got, and cannot hope to get, the home markets that the Government promised them. And the reason is obvious: They are one thousand miles farther away from the Ontario markets than their Pennsylvania rivals.

From New Glasgow in Nova Scotia to Toronto is 1,158 miles—660 miles over the Intercolonial and 498 over the Grand Trunk. By a special arrangement made with the Government the Grand Trunk carries coal by the car load from Chaudiere Junction to Toronto at the very low rate of \$1.76 per ton, or

just *one-third of a cent* per mile. The rate from New Glasgow to Chaudiere Junction over the Intercolonial—162 miles longer than the Grand Trunk haul—is only \$1.78 per ton, or *one-fourth of a cent* per mile. This makes \$3.54 per ton for the whole distance. Add the price of coal at the New Glasgow pits, \$1.72 per ton, and the cost laid down in Toronto is \$5.26 per ton.

The freight at the same low rates to London—a distance of 1,279 miles from New Glasgow—is \$44.52 per car load, or \$3.96 per ton. Add the price of coal at the pits and the cost delivered at London is found to be \$5.68 per ton.

To Hamilton—a distance of 1,198 miles from New Glasgow via the Great Western from Toronto, or 1,224 miles via the North Western from Georgetown—the freight is \$45.84 per car load, or \$4.08 per ton. Add the price paid to the coal miners and the cost to the Hamilton dealer is \$5.81 per ton.

From Pittsburg in Pennsylvania to Toronto is only 240 miles, and the cost of freight as given by Sir Charles Tupper is \$2.40 per ton, or *one cent* per mile—just four times the Intercolonial rate. Add the price of soft coal at Pittsburg, \$1.22 per ton, and the duty 60 cents per ton, and the total cost laid down in Toronto is \$4.22. Take off the duty and the cost would be \$3.62, or \$1.64 per ton less than the Nova Scotia coal.

The cost laid down in Hamilton (40 miles nearer Pittsburg) at the same rate for freight is \$3.82 per ton. Take off the duty and the cost would be \$3.22, or \$2.59 per ton less than the Nova Scotia coal. In London the difference would be very nearly the same.

With such odds against the Nova Scotia miners, and in spite of the discriminating rates granted by the Government over the Intercolonial and secured over the Grand Trunk, it is sheer folly to expect that their coal can ever be sent into Ontario with profit. They are handicapped to the extent of at least \$2 per ton. The duty is no advantage to them, and it is a heavy burden on the ones who pay it.

BUT WHO PAYS THE DUTY?

Sir Leonard Tilley says producers and consumers pay one-half each. Sir Charles Tupper in his character

of "great stretcher" says whatever suits the occasion. In his speech on the Budget in 1878 he said the consumers paid it, just as the consumers of coal oil in the Lower Provinces paid the coal oil tax. He said the same thing to the electors of Pictou last year, telling them that the people of Ontario paid \$400,000 on coal duties, and to that extent he said the people of Nova Scotia were relieved from taxation. In his speech on the Budget debate this year he said the American producers paid the whole of it. But Sir Charles Tupper may be left to dispute the question with himself.

It is very well known in Ontario and Quebec who pays the duty on coal. It is well known that American dealers fix the price on the first day of each month for the month, that no charge is made in it until the price is fixed again, and that in dealing with a buyer they on't ask or care whether he lives in Toronto or Montreal, Chicago or New York. With a market for 66,000,000 tons in their own country they are not likely to sell a paltry 1,000,000 tons to foreign customers at 50 or 60 cents below the market price, more especially when the foreign customers are dependent on them for supplies.

The simple fact that the average price of coal is 70 to 75 cents higher in Farnia than in Port Huron, and in Windsor than in Detroit—places only a mile apart on opposite sides of the international line—ought to settle the question of who pays the duty to every man of average common sense.

WHY THE DUTIES OUGHT TO BE STRUCK OUT.

There are many reasons why the coal tax ought to be repealed—why it should never have been imposed. It will suffice to indicate a few.

1. The tax is not fairly distributed. It is paid by people in the towns and cities, where coal is cheaper fuel than wood. Nine-tenths of the people of Ontario have never directly paid a dollar of coal tax. The remaining tenth, which includes the mass of artisans and workingmen, bear the whole load—a tax of \$400,000 a year.

2. It is a tax on industries. Every blacksmith's shop in the country and a

great many factories and machine shops are made to pay it, and it goes to swell the cost of production.

3. It is a tax on railways and steamships,—making freight and passenger traffic dearer, or else keeping down profits and robbing workingmen of their wages.

4. It is an unnecessary tax. The revenue of the country is \$4,000,000 in excess of requirements.

5. It has failed of its object. It has not given the Ontario markets to the owners of Nova Scotia mines, and it never will.

Those reasons amply justified the Liberal party in the House of Commons in asking for the repeal of the coal duties, but Mr. Laurier's motion to that end was opposed by the whole strength of the Government and was defeated on a vote of 120 to 47.

AN UNJUST AND ODISIOUS BURDEN.

The coal tax is an unjust and odious burden on the few who are forced to pay it. It is revolting to every sense of justice and fair tax and the Government that imposed it and stands by it must go down together.

THE TRADE QUESTION

A Revenue Tariff versus A Protective Tariff.

Cause of Depression and Bad Times.

Cause of Revival and Good Times
 —Has the Farmer a Home Market?—Have Grain Duties Benefitted the Farmer?—Were Increased Duties needed for Revenue? Had we no Manufactures before the N.P.?

In the discussion of matters relating to the trade policy of Canada, it must ever be borne in mind that the issue involved is not between free trade and

protection. The circumstances of the country are such that a large revenue is required to meet the interest upon the public debt and the expenses of the Government. A large sum must be raised chiefly from duties upon imports, and the question at issue between the Liberal and the Tory party is, whether we shall have a Tariff for the purpose of raising the necessary amount of revenue, or whether we shall have a protective tariff with high duties, levied for the purpose of excluding goods from our markets rather than for the purpose of collecting duties upon importations.

As to the rate of duties that must be imposed under a revenue tariff in order to meet our requirements, it is quite clear that the rate must be high. Under a tariff, designed for the purposes of revenue, all manufacturing industries of Canada would receive a fair degree of protection—one, indeed, quite high enough to satisfy all legitimate requirements especially as coal would be admitted free, while iron and other raw materials, if not placed upon the free list, would be admitted at low rates of duty. In fact, most of the manufacturing industries of Canada would be more prosperous under such a tariff than under the present one. The Liberal party desires to see all the great business interests of Canada prosperous. It desires the utmost possible development of manufacturing interests that can be attained without the aid afforded by imposing unjust burdens upon other interests; and consideration fair and just would be given to every Canadian interest. The attempt made by the Tory leaders and press to create a belief that the Liberal party is hostile to the manufacturing interests, or indeed to any other interest in Canada, is most unfair. The desire is to adopt a policy that will promote the general good.

WE HAD MANUFACTURES BEFORE THE N. P.

Our manufactures were not created by the N. P. but had reached a very extensive development before. By the census of 1871 it was shown that our manufactures amounted to \$221,000,000 that year, and employed 189,000 persons. This great development

was reached under a revenue tariff with duties of only 15 per cent. for the greater part of the time. It has been most conclusively shown that during the period of commercial depression our manufactures were more fully employed and were paying better dividends than were corresponding establishments in the United States, where an extreme protective policy prevailed, and it is demonstrable that the increase in business and the starting of new industries has not in the aggregate been greater since

THE REVIVAL IN BUSINESS

can be than would have been the case had a revenue tariff been in force, with raw material admitted free. It is possible, indeed, that high duties may have given a great development to the cotton and sugar refining interests, but this has been secured at heavy loss to the consumer, and has been fully counterbalanced by its depressing effect upon founders, machinists and agricultural implement manufacturers, through the increased cost of living, and the duties upon iron, coal and other materials.

CAUSE OF BAD TIMES.

The Tory press and leaders never tire of making the false and absurd charge that the depression existing between 1874 and 1878 was due to the policy of the Mackenzie Government. Had the depression been confined to Canada there would have been some color for the charge. But it originated in the United States, and spread over the whole commercial world. No change in the policy of Canada that could injuriously affect our interests was made. The Government was economical, the expenditure for 1878, its last year, being only \$186,842 greater than the expenditure for 1874, its first year,

EXPENDITURE UNDER THE MACKENZIE GOVERNMENT.

Year ending June 30, 1874..	\$23,316,316
" " " 1875..	23,718,071
" " " 1876..	24,488,372
" " " 1877..	23,519,301
" " " 1878..	23,503,158

The rapid increase of expenditure since Mr. Mackenzie ceased to exercise his honest and prudent leadership is shown by the following table of

EXPENDITURE UNDER THE MACDONALD GOVERNMENT.

Year ending June 30, 1879..	\$24,455,381
" " " 1880..	24,850,634
" " " 1881..	25,502,554
" " " 1882..	27,672,223
" " " 1883..	27,999,485

This shows an increase over the last year of the Mackenzie Administration as follows:

For year ending June 30 1879..	\$952,223
" " " 1880..	1,347,476
" " " 1881..	1,999,396
" " " 1882..	4,169,065
" " " 1883..	4,496,327

The supplemental estimates to May 5th, 1882, are included, but further estimates of large amount for 1883 will be brought down next session.

The only change made by the McKenzie Government, in the tariff under which Canada had prospered was an increase of $2\frac{1}{2}$ per cent. and other minor changes which all gave additional protection.

THE PANIC IN THE UNITED STATES

was chiefly due to the unproductive investments in railways and to the creation of manufacturing establishments greatly in excess of the requirements of the country—the latter due to extreme protection. It was aggravated and prolonged by an irredeemable currency unstable and fluctuating in value. So severe was the depression that 2,000,000 men were said to have been thrown out of employment. As the United States was the market for our barley and the chief market for our lumber, the depression and fall in prices there could not fail seriously to affect us. So serious was the decline in the prices of lumber that

OUR LUMBERMEN LOST MONEY

steadily for years. Many of them became bankrupt, and great numbers were driven to the verge of bankruptcy. The American troubles also brought on

commercial trouble in England, and that reacted on us. To add to the trouble we had one short harvest, that of 1876, when we failed to raise our own bread; two others, those of 1874 and 1877, were below the average.

These causes sufficiently account for the hard times, and it was entirely beyond the power of the Canadian Government to avert the depression, because it resulted from causes within Canada and outside of it that were entirely beyond human control.

THE CAUSES OF REVIVAL AND GOOD TIMES

While the depression was due to causes entirely beyond the control of the Government, the return of prosperity was also due to causes entirely independent of the Government policy, as will be briefly shown. On the 1st of January, 1879, the United States returned to specie payment. The period of depression had continued with great severity for over five years, but immediately upon this step being taken a reaction commenced and a period of great prosperity set in which has continued till the present moment. The result was, higher prices for barley, lumber, and all of our productions that found a market in the United States. The advance in the price of lumber, especially, was very great, and for two years past the price in Canada has been at least one-half higher than the price from 1874 to 1878. Since 1878 two bad harvests in England have created an unusual demand for our breadstuffs, and in conjunction with the extraordinary demand arising from this cause Canada happened to have more than average harvests. The result was an increase in the export of the products of the farm so large that the improvement in this respect alone was sufficient to produce great improvement in business.

GRAIN EXPORTS OF TWO PERIODS.

If we compare the exports of breadstuffs during Mr. Mackenzie's administration with the period since then we shall find a remarkable contrast. To arrive at the actual net export of the country the total import is deducted

from the total export, the balance being the actual net export. For the two periods the total net export of grain, flour and meal of all kinds is as follows in round numbers:

FOR THE FIVE YEARS OF MACKENZIE'S ADMINISTRATION.

Fiscal year ending June 30th:

1874	\$11,914,000
1875	8,967,000
1876	13,853,000
1877	2,597,000
1878	12,261,000

\$49,592,000

THREE AND A HALF YEARS OF MACDONALD'S ADMINISTRATION.

1879	\$14,877,000
1880	17,021,000
1881	13,748,000

July 1st to Dec. 31st—

1881	14,700,000
------------	------------

\$60,346,000

Thus it will be seen that the net export of grain, flour and meal during the five years of the Mackenzie administration was \$10,754,000 less than during the three and a half years of the Macdonald administration ending 31st December last. If we take the

EXPORT OF AGRICULTURAL PRODUCTS

and of animals and their produce, the produce of Canada, for the two periods, as given in the Trade and Navigation Returns, we shall find the following results:

EXPORTS OF ANIMALS AND THEIR PRODUCE FOR THE FIRST PERIOD.

Year ending June 30—

1874	\$14,679,169
1875	12,700,507
1876	13,517,654
1877	14,220,617
1878	14,019,851

\$69,187,804

FOR THE SECOND PERIOD.

1879	\$14,100,604
1880	17,607,507
1881	21,360,219
July 1 to Dec. 31—	
1881	18,175,279
	\$66,243,679

EXPORT OF AGRICULTURAL
PRODUCTS FOR THE
FIRST PERIOD.

Year ending June 30—

1874	\$19,590,142
1875	17,258,858
1876	21,139,665
1877	14,689,376
1878	18,008,754
	\$90,676,295

FOR THE SECOND PERIOD.

1879	\$19,628,464
1880	22,294,328
1881	21,268,327
July 1 to Dec. 31—	
1881	18,786,705
	\$81,977,824

Annual average of the exports, animals and their produce, 1874 to 1878, the produce of Canada for 5 years, \$13,827,56. Annual average export of same, 1879, to Dec. 31, 1881, $3\frac{1}{2}$ years, \$18,926,767. Excess of annual average of export of animals and their produce, the produce of Canada during the latter period as compared with the former period, \$5,099,207. Annual average of the export agricultural products the produce of Canada, 1874 to 1878, 5 years, \$18,135,258. Annual average of the export of the same, 1879 to Dec. 31, 1881, $3\frac{1}{2}$ years, \$23,422,284. Excess of annual average of export of agricultural products, the produce of Canada, during the latter period as compared with the former, \$5,286,976. Annual excess of the export of animals and their produce and of agricultural products, the produce of Canada, during the period of the Macdonald administration, as compared with the Mackenzie administration, \$10,386,183.

The largely increased value of the exports of the country as shown by the above tables from the Trade and Navigation

Returns was quite sufficient to bring about a revival of business.

RIGID ECONOMY PRACTISED.

There was also another cause for recovery from prostration—one always present in cases of commercial depression, and one of itself quite sufficient to cure the evil. We refer to rigid economy and retrenchment of expenses on the part of the people. Commercial depressions are caused mainly by overtrading, private extravagance, and reckless public expenditure. The natural antidote to these evils is a season of retrenchment and frugality. This antidote was in active operation in Canada, and would, of itself, have brought a return of prosperity.

This brief but plain consideration of the case points most conclusively to the following as the undoubted and sole

CAUSES OF THE REVIVAL.

1. The return to specie payment in the United States and the setting in of a great tide of prosperity in that country leading to a great boom in our lumber market, and an advance in the price of barley and other productions that we sell to the Americans.

2. Two years of short harvests and scarcity in England, causing an active demand at high prices for our food products, and coming conjointly with two excellent harvests in Canada, the result being a heavy increase in our exports of food.

3. Five years of economy and retrenchment of expenses practiced by our people during the depression, which alone, would have brought a return of prosperity.

THE FARMERS' HOME MARKET.

In 1878 the promise was made that the N. P. would give the farmer a home market for all the grain and food raised in Canada. After three years of protection we find that our exports of farm products are greater than ever before. The export of agricultural products, the produce of Canada, for the six months ending December 31st, 1881, were \$18,776,000, while for the entire year of 1878 they were but \$18,008,000. The

average annual export of animals and their produce has been \$5,099,000 greater for the last three years and a half than during the previous five years. The average annual export of agricultural products during the last three and a half years has been \$5,286,000 greater than during the previous five years. The experience of the American farmer under protection has been of the same character. In 1880, after 20 years of protection, the promise of a home market was so far from being realized that the food exports of the country reached the enormous sum of \$397,000,000. Of every 100 bushels of wheat raised in that country 36 were exported. The truth is that either Canada or the United States will require to produce more manufactures for export than for home consumption, (as is now done by England,) before a home market can be furnished; and this cannot be done under protection, for if the domestic manufacturer requires protection against the foreign manufacturer he cannot export goods and compete with him in foreign markets where both meet upon the same footing.

RESULTS OF THE N. P.

The N. P. imposed a rate of duties that largely increases the cost of sugar, that increases the cost of stoves and hardware, that increases the cost of ploughs and all agricultural implements, that makes cottons and woollens dearer than would have been the case under the previous tariff, and that benefits a few individuals at the expense of the masses. The poor man's fuel is taxed. The food consumed by the inhabitants of the Maritime Provinces is taxed. The lumbermen's implements and outfit are heavily taxed. The farmers' goods and tools are furnished him at higher rates than would have been the case if the Cartwright tariff had remained in force, and the same is true of the laborer and the fisherman. A revenue tariff would have afforded ample protection and caused fair returns to all the manufacturing enterprises of the country. The N. P. affords undue protection to the sugar refiner and the cotton and woollen manufacturer, and permits the realization of profits greatly exceeding a fair interest upon the capital invested, while

it taxes the iron, the coal and other materials used by a great number of manufacturers and makes their business less remunerative than would be the case under a judiciously arranged revenue tariff. It is a policy which benefits a very few individuals at the expense of the farmer, the lumberman, the laborer and the fisherman.

PROTECTION TO THE FARMER.

The advocates of the N. P. sought to secure the support of the farmer by promising a home market and duties upon grain. It has been shown that the home market promise has failed. The promise of protection through the imposition of grain duties has proved equally delusive. Duties upon cotton and woollen goods in England would not affect the price there because England supplies her own wants and exports largely. For the same reason a duty upon grain cannot raise the price in Canada, except in the case of Indian corn, because we raise enough to supply our own wants and have a large surplus for export. So long as this is the case the price received for the surplus governs the price of the whole. The American farmer is protected by grain duties. If the American duties benefited him, why was it necessary to protect our farmers against the grain of the protected American farmer? Our grain imports from the United States were almost exclusively of grain passing through our canals to the European market. Its importation was beneficial to us because we secured the carrying trade. Our canals were constructed for the very purpose of securing as large an amount of this trade as possible. If any portion of this American grain was entered for consumption it simply increased by that amount the surplus of Canadian grain available for export, and had no influence upon the price paid to our farmers.

INDIAN CORN WAS IMPORTED

in considerable quantities for consumption because it was cheaper than our own coarse grains, and the country made a handsome profit by buying corn at a cheap rate and selling a corresponding amount of oats, peas, rye and barley at a higher rate. The importation of

corn for consumption merely increased to a corresponding amount our surplus for export of other coarse grain. In effect we traded coarse grains for corn when it answered our purpose just as well, and we could make money by the exchange.

At no time since the imposition of grain duties has the price of grain in American markets permitted its importation into Canadian markets at a cost to depress the market rates here had no duties stood in the way. At no time has the Canadian farmer received the

SLIGHTEST ADVANTAGE FROM GRAIN DUTIES,

and almost uniformly since the adoption of the N. P. all grains, except Indian corn, have been higher in the United States than in corresponding Canadian markets. The market reports prove this, and it will be found that all grains, except corn, were relatively higher, as a rule, in the Canadian markets before the N. P. than since. A number of comparisons extending over a series of years have been compiled from market reports. Before compiling quotations it was determined to take the third Wednesday in each month and quote the highest price in the various markets that day. In winter wheat, Toronto and Toledo are compared; as the latter is, next to Chicago, the largest primary grain market in the west, and Chicago is not a winter wheat market. Toledo, it must be remembered, is several hundred miles further from the seaboard than Toronto. The following table will show the average price of No. 2 red winter wheat

AT TOLEDO AND TORONTO

in each year since 1876, based on the price of the third Wednesday of each month. No. 2 is selected as being the standard Toledo grade. Toledo quotations are furnished by the Secretary of the Toledo Board of Trade. Toronto quotations are taken from the *Toronto Mail*.

NO. 2 WINTER WHEAT.

Average price in each year from price on the third Wednesday of each month:

	Toledo.	Toronto.
1876	\$1.22 $\frac{3}{4}$	\$1.08 $\frac{1}{4}$
1877	1.49 $\frac{1}{4}$	1.43
1878	1.07	1.06
1879	1.11 $\frac{1}{2}$	1.07
1880	1.12 $\frac{1}{4}$	1.13
1881	1.13	1.18
Average.....	\$1.19 $\frac{1}{2}$	\$1.16

From this table it is seen that during the period the average price of No. 2 winter wheat was $3\frac{3}{4}$ cents greater in Toledo than Toronto, and that in only one year, viz: 1880, was the Toronto price a slight fraction higher than in Toledo, the difference in favor of Toronto being one-quarter of a cent per bushel.

If we take the average price in each market during the months of August, September, October, November and December, which constitute the shipping season, we shall find the following result:

NO. 2 WINTER WHEAT

Average price in August, September, October, November and December of each year from quotations on the third Wednesday of each month:

1876	1.20 $\frac{2}{5}$	1.14 $\frac{1}{5}$
1877	1.49 $\frac{1}{4}$	1.25
1878	.99 $\frac{1}{4}$	.93 $\frac{3}{5}$
1879	1.20 $\frac{2}{5}$	1.15 $\frac{2}{5}$
1880	1.01	1.03
1881	1.36 $\frac{1}{5}$	1.28 $\frac{1}{5}$
	1.13 $\frac{1}{5}$	1.20 $\frac{1}{5}$

In 1880 the price during the five months period averaged 19-10 cents per bushel higher in Toronto than in Toledo. In this year the United States had a very large surplus and the price was constantly regulated by the export demand, and the difference in favor of Toronto was less than the difference in freight.

CHICAGO AND TORONTO.

We will next compare the price of No. 2 spring wheat for each year, based on the quotations for the third Wednesday of each month in Chicago and Toronto.

NO. 2 SPRING WHEAT.

[From Toronto Mail Reports.]

	Chicago.	Toronto.
1876	\$1.05 $\frac{1}{4}$	\$1.03 $\frac{1}{2}$
1877	1.26 $\frac{1}{4}$	1.33 $\frac{1}{2}$
1878	95 $\frac{1}{4}$	96
1879	1.06 $\frac{1}{2}$	96 $\frac{1}{2}$
1880	1.05	1.19
1881	1.15	1.22
Average...	\$1.09 $\frac{1}{2}$	\$1.11 $\frac{1}{2}$

The above was but one year out of the six covered by the above table when it would have paid expense to buy No. 2 spring wheat in Chicago and sell it in Toronto, and in that year the average difference in price would not have paid the freight between the two points. In 1880 both countries had an immense surplus for export and the price in each market was regulated by the export demand. The advantage in favor of Toronto represented largely, if not entirely, the difference in freight between the two points and Liverpool, or other foreign markets.

THE PRICE OF OATS.

We will next give a comparison of the price of oats in Chicago and Toronto, on the 15th July, October and December in each year:

1876.	Chicago.	Toronto.
July 15	28	34 $\frac{1}{2}$
Oct. 15	28	39
Dec. 15	29	42
Average.....	28 $\frac{1}{2}$	38 $\frac{2}{3}$
1877.		
July 15	31 $\frac{1}{4}$	50
Oct. 15	23 $\frac{1}{4}$	38
Dec. 15	24 $\frac{1}{4}$	37
Average	26 $\frac{2}{3}$	43
1878.		
July 15	25	34
Oct. 15	19	32
Dec. 15	20 $\frac{1}{2}$	31
Average	21 $\frac{1}{2}$	32 $\frac{1}{2}$

For the three years before the N. P. came into force the average difference as shown by the above table was 12 cents per bushel in favor of Toronto as compared with Chicago, and yet it was held necessary to impose a duty of 10 cents

to prevent American oats slaughtering the Canadian market and depressing the price. By the quotations for October and December for each of the above years the average price of oats in Toronto was 12 $\frac{1}{2}$ cents higher than in Chicago.

Let us compare these quotations with the corresponding quotations for the three years subsequent to the adoption of the N.P. and see whether the imposition of the duty had the effect of making oats relatively higher in Canadian than in American markets.

PRICE OF OATS SINCE N.P.

1879.	Chicago.	Toronto.
July 15	26 $\frac{1}{4}$	39
Oct. 15	29 $\frac{1}{2}$	35
Dec. 15	39 $\frac{1}{2}$	37 $\frac{1}{2}$
Average	32 $\frac{1}{4}$	37 $\frac{1}{2}$
1880.		
July 15	22 $\frac{1}{2}$	38
Oct. 15	30 $\frac{1}{2}$	33
Dec. 15	31 $\frac{1}{2}$	34
Average	28 $\frac{2}{3}$	35
1881.		
July 15	41 $\frac{1}{2}$	40
Oct. 15	44	43
Dec. 15	46 $\frac{1}{4}$	45
Average	44	42 $\frac{1}{2}$

Thus the average price in Toronto for the three years since the N.P. went into force based on the quotations in July, October and December, was 38 $\frac{2}{3}$ cents, and for Chicago 35 cents, a difference of 3 $\frac{1}{2}$ cents in favor of Toronto. Or if we take the last two months in each year, October and December, the average price for the three years was 37 5-16 in Toronto and 36 $\frac{1}{2}$ cents in Chicago, a difference of 1 $\frac{1}{2}$ cent in favor of Toronto. It must be borne in mind, however, that the Toronto bushel of oats is 34 pounds, while the Chicago bushel is 32 pounds, and this difference of two pounds swallows up the difference in favor of Toronto for the last three years. These facts show that a duty of 10 cents upon oats could not benefit the Canadian farmer, for western oats could not be brought into our market and sold at prices as low as ruled here if no duty was imposed.

DECLINE IN THE OATMEAL TRADE.

The duty upon oats has been in jurious to our oatmeal trade. Before the N.P. came into force, American oats were imported for our oatmeal mills, and the export trade in meal was large. Since the N.P. the export trade has largely fallen off. In the year ending June 30th, 1878, we exported 174,511 barrels; in 1881, only 53,825 barrels; and for the six months ending December 31st, 1881, only 24,435 barrels. This indicates a serious loss of trade, and, while the miller has been injured, no one has been benefitted.

THE BARLEY DUTY ABSURD.

It is surprising that a single Canadian farmer should ever have been deceived by the allegation that a duty upon barley could confer any benefit upon him. The price of barley is uniformly higher in the American markets than in Canada, as an examination of the market reports at any time will show. If we compare Toronto and Oswego quotations for the third Wednesday of September, October, November and December, which covers the shipping season for barley, we will find the following average for the last six years.

Average market quotations for barley from 1876 to 1881:

	Oswego.	Toronto.
1876	1.08 $\frac{3}{4}$	81
1877	88 $\frac{1}{4}$	66 $\frac{3}{4}$
1878	1.22 $\frac{1}{2}$	1.01 $\frac{1}{4}$
1879	84 $\frac{1}{4}$	70
1880	1.00	84 $\frac{1}{2}$
1881	1.07 $\frac{1}{2}$	91 $\frac{1}{2}$

THE RICE OF RYE

If we compare the price of rye in Toronto and Chicago on the third Wednesday in September, October, November and December of each year since 1876 we shall find the average price for each year as follows:

	Chicago.	Toronto.
1876	64 $\frac{1}{4}$	60 $\frac{1}{2}$
1877	53 $\frac{1}{4}$	60 $\frac{1}{4}$
1878	46 $\frac{1}{2}$	53 $\frac{1}{4}$
1879	66 $\frac{1}{4}$	67 $\frac{1}{4}$
1880	85 $\frac{1}{2}$	83 $\frac{1}{4}$
1881	1.03 $\frac{1}{4}$	91

THE PRICE OF PEAS.

Peas are also uniformly higher in the United States than in Canada to the extent of the freight and the American duty.

From all the information contained in the foregoing tables it is evident that the price of grain is not higher in the Canadian market as compared with the American market since the N. P. that it was before, and the statement that grain duties cannot benefit the Canadian farmer in the case of any grain of which we raise a surplus for export will in every case hold good.

The farmer has been subjected to heavier duties and increased taxation under the N. P., and the promise that he should be compensated by a home market, and higher prices for his productions has not been kept. Our agricultural exports are steadily increasing, and there is no inducement to import American grain for consumption except under exceptional circumstances, as it is higher in that country than in our own. In short, the farmer, the lumberer and the laborer have been injured by the increase of duties above the rates imposed by the last tariff, and very few men comparatively have been benefitted.

WERE INCREASED DUTIES REQUIRED FOR REVENUE ?

It was asserted by Sir Charles Tupper during the session of 1882 that in 1879 there was no choice between adopting the National Policy and resorting to direct taxation. Such was not the case. The difficulty under which we labored was temporary, and was sure to disappear with the return of better times. An increase of \$2,225,000 in the Customs over 1878 would provide for the deficit of that year and an increase of \$1,100,000 in the expenditures, which would have been ample to cover all necessary increase under an economical Government. This would have been an increase of 18 per cent. During the period from 1878 to 1881 the revenues of the United States rose from \$130,000,000 to \$198,000,000, without any change of tariff, equal to 52 per cent.

increase. We may surely estimate that our revenue would have increased one-third as fast as theirs during the same period under the influence of the same cause.

Sir LEONARD TILLEY estimates the revenue from Customs the present year at \$20,500,000. This is a sum over \$5,500,000 greater than would have been required to meet the expenses of the Government had the Liberal party remained in power, and that vast sum represents the amount of needless taxation to which the people of Canada are subjected under the present Government.

THE N.P. DOES NOT SECURE CONTROL OF CANADIAN MARKETS.

It was asserted when the present tariff was under consideration that it would secure so great a development of the manufacturing interests of the country as to give to the Canadian farmer a home market. We have seen that the Canadian farmer is farther from a home market than ever before. But let us enquire whether the exclusive control of the markets has been secured to the manufacturer, and whether the import of goods that can be manufactured in Canada has ceased.

IMPORTATIONS CONTRASTED.

Our importations of cottons, woollens, and iron, steel, and the manufacturers of the same, for different periods were as follows:—1874, Cottons, \$11,341,000; Woollens, 11,160,000; Iron Steel and manufactures of the same 12,934,000 Total, \$35,435,000.

For the year ending June 30th, 1879, after five years operation of a revenue tariff policy the importations were as follows:—1879, Cottons, \$6,535,000; Woollens, \$6,992,000; Iron, Steel, and manufactures of same, \$6,457,000; Total, \$19,984,000.

In 1881, after three years operation of a protective tariff, the importations were as follows:—1881, Cottons, \$10,267,000; Woollens, \$8,739,000; Iron, steel, and manufactures thereof, \$12,460,000; Total, \$31,466,000.

Showing an increased importation in these articles of \$11,481,000, or 60 per

cent. under the three years of protection.

COMPARISON BETWEEN 1877 AND 1881.

As a carefully prepared estimate of the total amount of goods susceptible of manufacture in Canada imported in 1877 has been prepared, and much labor would be involved in preparing one for the year ending 30th June, 1879, and as the difference between the two would not be material, a comparison of the importation of goods susceptible of manufacture in Canada is made between the year 1877 and 1881: 1877, Importation of goods susceptible of manufacture in Canada, \$42,830,000; 1881, Importation of goods susceptible of manufacture in Canada, \$58,695,000. Increase in 1881 as compared with 1877, \$15,865,000, or 37 per cent.

This showing does not indicate a very remarkable degree of success in attaining control of the Canadian market. During this protective period our export of manufactures has fallen off over \$1,000,000 per annum. In many lines our imports from the United States have largely increased; and the increased importation of goods which might be manufactured in Canada is actually much greater than the returns indicate, owing to the great increase in smuggling since the increased duties made the inducements to do so greater.

THE NET OUTCOME.

The net results of three years operations of the N. P. may be very briefly and fairly summarized as follows:

1. It has not given the farmer a home market; but, on the contrary, our exports of farm produce have steadily and rapidly increased.

2. While causing the farmer to pay more for cottons, woollens, stoves, hardware, implements, glass, blacksmith goods, waggons and carriage goods, furniture, sugar, and a large list of articles needless to enumerate, than he would do under a revenue tariff, with lower duties and free coal and iron, it has conferred no benefit upon him through the imposition of grain duties, because

prices are lower here than in the United States, and duties are therefore useless.

3. It has not benefitted the lumberman, for his market is abroad and can not in the slightest degree be affected by the N. P., while increased duties increase the cost of producing lumber by making blankets, chains, saws, axes and supplies of nearly all kinds dearer.

4. It has not benefitted the laborer, because it has largely increased the cost of fuel and the necessities of life, and has not increased the price of labor. Any advance in that respect is due to the great exodus to the United States and the North-West; the advance, if any, arising rather from scarcity of labor than from increased employment.

5. It has not benefitted the fishermen of the Maritime Provinces, because his market is abroad and is not affected by the N. P., while the tax increases the cost of his clothing and food, the latter increase being due to interference with the natural course of trade which compels him to buy flour and meal in an unnatural market and at greatly increased cost for freight, and without conferring the slightest benefit in return upon the Ontario and Quebec farmer.

6. It has not even benefitted the manufacturing interest as a whole, although it may have benefitted a small number of sugar refiners and cotton

mill owners; for the returns show that our export trade in manufactures is decreasing and that our imports of manufactures that might be produced in Canada are steadily and rapidly increasing.

7. It imposes a burden of taxation needlessly heavy, and compels the taxpayers of the country to contribute a sum to the public revenue the present year \$5,500,000 greater than would be necessary to meet our expenses had our affairs been prudently managed since the present administration came into power.

For all these reasons we assert that a revenue tariff policy, designed to raise a revenue sufficient only for our actual wants, with the duties so adjusted as to promote most advantageously our various interests,—with coal admitted free, and with iron and various other raw materials required by our manufacturers either placed upon the free list, or admitted at very low rates of duty, would afford all the protection that our industries could reasonably require, and would be more conducive to the prosperity of our manufacturing interests, except in isolated cases, and also to the prosperity of our farmers, lumbermen, laborers, artisans and fishermen, than the present policy is.

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